

## North Carolina Industrial Hemp Commission

### MINUTES

March 16, 2021 at 2:30 p.m.  
Telephone / Internet Conference Call

Commissioners in attendance:	Other official attendees:
Dr. Tom Melton, Chair	Tien Cheng, Department of Justice
Dr. Sandy Stewart, Vice-Chair	Janyne Kizer, EIT, NCSU
Mr. Guy Carpenter	Beth Farrell, General Administration, NCDA&CS
Chief Daniel House	Phil Wilson, Plant Industry Division, NCDA&CS
Dr. Shirley Hyman-Parker	
Mr. Billy McLawhorn	
Sheriff Tim Manning	
Mr. Pat Short	

#### Call to Order – Dr. Tom Melton, Chairman

#### Roll Call of Attendees – Dr. Tom Melton, Chairman

Chairman **Melton** initiated a roll call to determine if a quorum of Commissioners were present. Eight Commissioners as listed above were in attendance, meeting the requirement of a quorum.

#### Statement Concerning Conflicts of Interest – Dr. Tom Melton, Chairman

Chairman **Melton** read the statement concerning conflicts of interest and asked members to identify any potential conflicts of interest. No conflicts of interest were identified.

#### Recognition of Conference Call – Dr. Tom Melton, Chairman

Chairman **Melton** noted that the purpose of this meeting is to approve applications to cultivate industrial hemp in North Carolina. Under state and federal laws, individuals must be issued a license to participate in the North Carolina Industrial Hemp Pilot Program. Growers in the state who wish to cultivate industrial hemp must submit an application for a license to the Industrial Hemp Commission. Applications that have been vetted seriously by N.C. Department of Agriculture and Consumer Services staff will be reviewed at this meeting. There is no public comment period for this meeting.

#### Recognition of Special Guests – Dr. Tom Melton, Chairman

Chairman **Melton** noted there were no special guests at this meeting.

#### Industrial Hemp Program Update – Mr. Paul Adams, NC Industrial Hemp Program Manager, Plant Industry Division, NCDA&CS

Chairman **Melton** called on Mr. Paul Adams to provide a program update.

- Mr. **Adams** reported that as of March 16, 2021, North Carolina has 1,510 licensed industrial hemp growers, representing 14,245.68 licensed acres and 6,966,097.59 square feet of licensed greenhouse production. There are currently 1,242 registered processors in the state.

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## New Business

- Approval of Minutes from the January 29, 2021 meeting – Dr. Tom Melton, Chairman
  - Chairman **Melton** called for a motion to approve the minutes from the January 29, 2021, meeting. Motion to approve these minutes was made by Commissioner **Short** and seconded by Commissioner **House**. Motion passed on a roll-call vote.
- Review and Approval of Research Pilot Program Applications – Dr. Tom Melton, Chairman
  - Chairman **Melton** read the names of the applications under consideration at this time: Bryant Burton, Ronald Jovan McCain, William J. Mitro, Samuel Aliikaua Taylor, Jennie Ruth Fagen, Rasheem S. Pugh, and Michael Felix Falkner.
    - Chairman **Melton** asked if there was a motion to approve the applications presented. Commissioner **House** made a motion to approve the applications. Commissioner **Hymon-Parker** seconded the motion to approve. After roll-call vote, all applications were approved.
- Update on USDA Final Rule for Domestic Hemp Production Program – Mr. Tien Cheng, Assistant Attorney General, NC Department of Justice
  - Mr. **Cheng** noted that USDA has reviewed the Final Rule for Domestic Hemp Production as a result of the change in Administration and that it will move forward without any changes with an effective date of March 22, 2021. States that have been operating under Pilot Programs may continue to do so until January 1, 2022. The North Carolina Department of Agriculture and NC General Assembly will work together to determine the next steps for North Carolina. Without legislative action, the state will transfer to the USDA program.
  - Commissioner **Carpenter** asked if his interpretation that if the hemp is being produced for fiber that the final rule allows latitude to states for testing requirements. Mr. **Cheng** noted that the final rule allows states to do performance-based testing. He will research this further and send information to Commission members. Chairman **Melton** requested Mr. Cheng also share if USDA will allow for performance-based testing for programs.
- Warning about the grey areas of existing law – Commission Members
  - Chairman **Melton** noted that once the pilot program goes away, current licenses will not be valid; growers will be starting the process over with the permanent program.
  - Vice-Chairman **Stewart** congratulated those approved to receive licenses during today's meeting. He noted that State program licenses will not be grandfathered into either the USDA plan or USDA approved state plan. He noted that the hemp market is not well defined, but has matured some over the last several years. CBD products do not currently have FDA or state regulatory framework, however regulatory framework is anticipated. He advised growers to understand their buyers, the arrangements and terms of their contracts, and the hemp retail marketplace. He advised growers to proceed with caution and wished them good luck; if there are questions, please reach out to NCDA&CS, NC State, or NC A&T State University.
  - A question was asked by a meeting participant about what the expiration of the pilot program mean for growers with inventories of hemp after it expires. Chairman **Melton** responded that the current rules of the NC Industrial Hemp Commission are centered around growing the crop and not post-harvest. Mr. **Chen** agreed with Chairman

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Melton and noted that current license holders may want to look into applying for the USDA or approved State Plan when logistics are finalized. He advised that all be on alert for information regarding changes.

- A meeting participant asked if they could apply for a USDA license while the pilot program is still authorized. Chairman **Melton** shared that it his understanding that you can apply for a USDA license but that it will not be reviewed until they know the intentions of NC to either operate a state plan or fall under the USDA plan.
- Chairman **Melton** noted that there is currently no bill filed in North Carolina regarding hemp; Vice-Chairman **Stewart** noted that while there is no formal bill, it is under discussion.

Adjourn: Being no further business, a motion to adjourn was made by Commissioner **Short** and seconded by Commissioner **House**. Motion passed on a voice vote.

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